

CenterPoint Energy Incentive Program for Commercial/Industrial Efficiency Projects

- 1. Electric utility restructuring (Senate Bill 7)**
- 2. Electric market was deregulated and integrated utilities were unbundled**
- 3. Wholesale/Generation, Retail, Delivery**
- 4. Requirement for energy efficiency placed on delivery companies**

SB7 Energy Efficiency Requirements

- T&D utilities must reduce peak demand growth 10% per year
- Reduce demand through energy efficiency incentive programs
- Demand reduction must be acquired through the competitive market
- Make available to all customer classes

Energy Efficiency Incentives

- **Incentives tied to market price for energy and capacity**
- **\$198/kW peak demand reduction, 6.8¢/kWh annual energy savings**
- **Statewide available incentives - \$29 million**
- **Incentives paid based on verified savings**

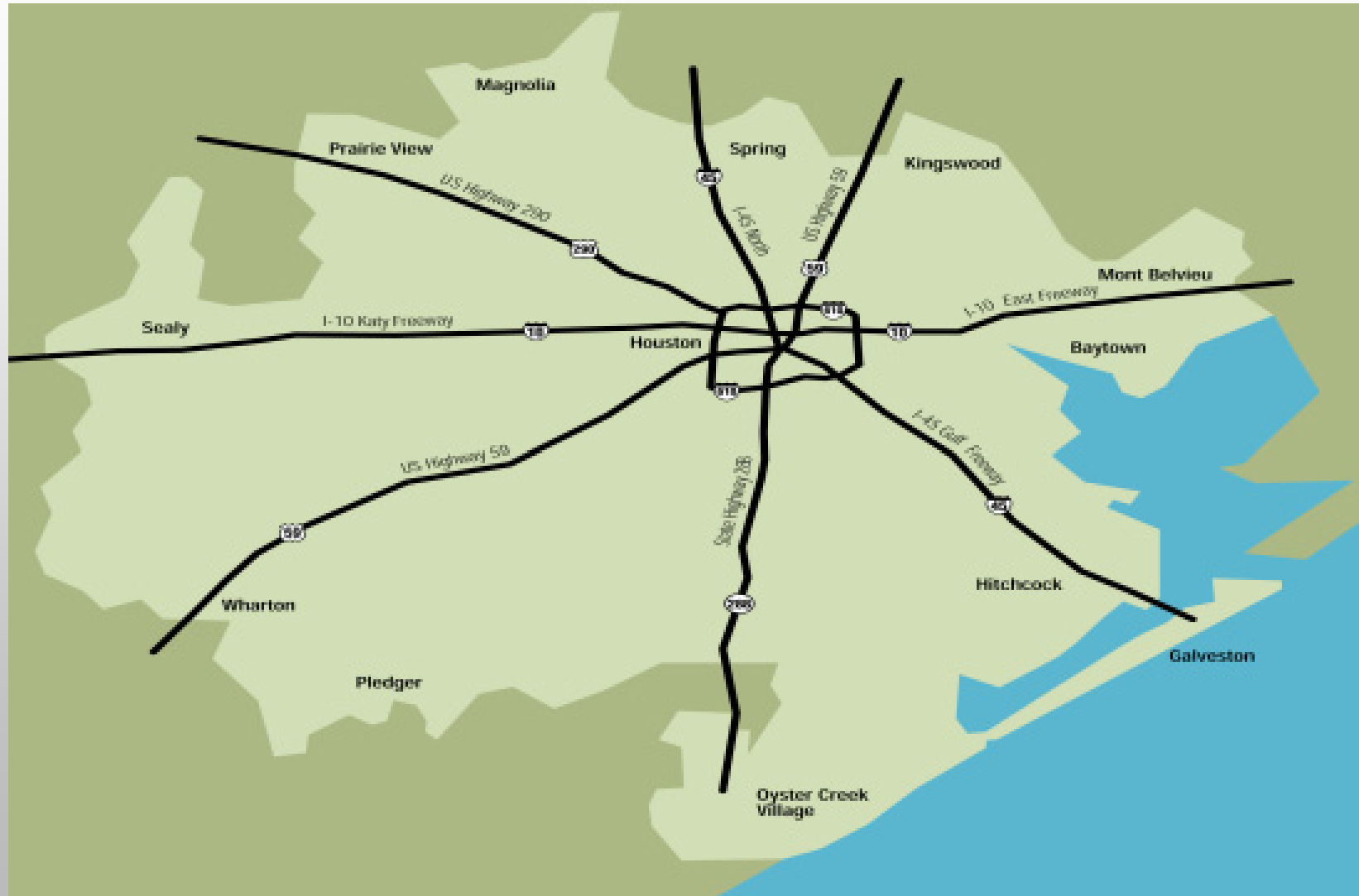
Standard Offer Program

- Incentives offered through a Standard Offer Program
- Open to customers, ESCOs, contractors, manufacturers, retail electric providers
- First come, first served
- One year incentive payment
- Retrofit and new construction

- **Second year of the C&I program**
- **\$3.5 million in incentives in 2002**
- **32 projects in 2002**
- **Mix of large commercial, industrial, institutional customers**
- **Lighting, HVAC, motors, process**

- **10.2 MW peak demand savings**
- **\$6.3 million incentives**
- **\$198/kW and 6.8¢/kWh**
- **1 MW demand reduction = \$500,000**

Service Area Map



How to Apply for Incentives

- **Register as a project sponsor on website**
- **Complete on-line application**
- **Sign agreement, submit deposit (5%)**
- **Install project**
- **Verify energy savings**
- **Receive incentive payment**

How to Get Started

- Visit website for more information www.CenterPointEfficiency.com
- Contact CenterPoint Energy
 - Alan Ahrens - 713.207.3453
 - George Smith - 713.207.3488
- Register and submit project